

# Business Snapshot

## Compuvend Inc.

Interview with Alan Kronenberg



PHOTOS BY CHERYL GERBER

Mark Kronenberg, left, and his father Mark Kronenberg are business partners in Compuvend Inc., which produces software for vending machine operators.

### Family calling

As a young man growing up in Birmingham, Ala., I deeply admired my dad, who started out his entrepreneurial career in the vending machine business in the mid-1930s. After graduating from the University of Alabama, I met and married a young lady from New Orleans whose family was also in the vending machine business. So we decided to relocate here and merge our businesses.

Much later, I opted to diversify by starting Compuvend Inc., which specializes in developing software packages for vending machine operators and industrial caterers. My son, Mark, is actually my current business partner in Compuvend and that brings me great joy and pride to say the least.

### Company expertise

Our key products include vending, commissary and catering management software.

We also have an extremely large distribution package, which covers warehousing, shipping and truck routing all over the country. We have 800 clients in the United States, Canada, Ireland, England, France, Nigeria, Brazil, Barbados, and hopefully we'll open a branch next year in Australia.

The major aspect of our business the past few years has been the introduction of our cutting-edge Buzzbox product. It is a radio transmitter that goes into the vending machine telling the truck driver what products are low and in need of restocking without having to make an empty service call trip. The end result has been about a 50 percent savings in labor. This technologically savvy product has been extremely successful for us

leading to the introduction of it in other countries.

### Building clientele

Most of our business comes from medium-size vending machine operators and industrial caterers across the nation. We have sales offices here, in Denver and in Atlanta but I suspect about 75 percent of our sales are made through word-of-mouth recommendations from existing satisfied clients.

Revenue wise, we have averaged between \$2 million and \$3 million annually recently. But for 2005, we project revenue of as much as \$5 million. Of mainly eight competitors, we are the only one that maintains a working vending machine operations company in the Avondale shipyards.

### Exploring technology

We want to expand more into the distribution segment of the industry. Future expansion into

more countries is on the drawing board showcasing our innovative routing and mapping software technologies. There are so many more areas open in electronic technology that we have not fully explored yet. So further innovative technological advances are the driving forces for our future plans of action in our industry.

Interview by Robert G. Miller

